Notice of Intent to Adjust the Cost for Reasonable Collection, Transportation, Processing, and Recycling of Covered Electronic Products (CEP) per <u>WAC 173-900-960</u>

This notice of intent is to inform manufacturers about a proposed change to the cost for reasonable collection, transportation, processing and recycling of CEPs.

According to WAC 173-900-960, the Washington Department of Ecology may annually adjust the cost for reasonable collection, transportation, processing, and recycling of CEPs and the associated administrative fee. This cost is the amount used to calculate the money owed by an electronic product recycling plan to Ecology when that recycling plan collects less than their equivalent share for the year. The administrative fee is the cost Ecology incurs for collecting payments and processing the transactions. Ecology also uses this set cost to pay an electronic product recycling plan when that plan collects more than their equivalent share for the year.

Share payments

For a CEP recycling plan, if the total weight in pounds of CEPs collected by the plan and processed by a processor during a program year is <u>less</u> than the plan's equivalent share of CEPs for that year, the authority or authorized party responsible for that plan must submit to Ecology a payment equal to the weight in pounds of the deficit multiplied by the reasonable collection, transportation, processing, and recycling cost for CEPs and an administrative fee (WAC 173-900-960(1)).

If the total weight in pounds of CEPs collected by a plan during a program year is <u>more</u> than the plan's equivalent share of CEPs for that year, then Ecology will submit to the authority or authorized party responsible for that plan, a payment equal to the weight in pounds of the surplus multiplied by the reasonable collection, transportation, processing, and recycling cost for CEPs (WAC 173-900-960(2)).

Initial cost - \$.45/pound + \$.05 administrative fee/pound

The initial reasonable cost for collection, transportation, processing, and recycling of CEPs was set by the Legislature at forty-five cents per pound and the administrative fee was set at five cents per pound. Ecology can adjust these amounts on an annual basis.

Proposed new cost - \$.24/pound + \$.05 administrative fee/pound

Ecology proposes to set a new cost for reasonable collection, transportation, processing, and recycling of CEPs at twenty four cents per pound. The administrative fee of five cents per pound will remain the same. The proposed new cost is based on information gathered during the first eight months of <u>actual operating costs</u> of the standard electronic product recycling plan operated by the Washington Materials Management and Financing Authority within the state of Washington. This information indicates that a new reasonable cost lower than the initial reasonable cost should be established.

Comments

Ecology will accept comments on the proposed reasonable cost for collection, transportation, processing, and recycling of CEPs for thirty days starting September 21, 2009 and closing October 20, 2009.

For further information regarding this proposed change contact:
Margo Thompson
306.407.6999
Margo.Thompson@ecy.wa.gov

Submit comments in writing with subject line "Comments on Reasonable Costs for CEPs" no later than October 20, 2009 at 5 PM PDT to Margo Thompson at:

Margo.Thompson@ecy.wa.gov, or mail or deliver to Margo Thompson
Washington Department of Ecology
PO Box 47600
Olympia, WA 98504-7600

Comments must be received no later than October 20, 2009 at 5 PM PDT.

Final Notice

Ecology will notify all registered manufacturers of final changes to the reasonable cost for collection, transportation, processing, and recycling and the administrative fee, and post the new cost on its website by January 1, 2010.